

3809
(UT-050)
UTU-79909

August 13, 2003

CERTIFIED MAIL 7001 0320 0003 4257 44442
RETURN RECEIPT REQUESTED

Mr. Sandy Nell
13171 South 3300 West
Riverton, Utah 84065

RE: Review of Proposed Operations; Notice Incomplete

Dear Mr. Nell:

On August 11, 2003, you telecopied a letter to this office, and that letter addresses proposed operations for drilling and exploration of a clay deposit at T. 26 S., R. 4 W., sections 22 and 23, portions thereof. Your proposed operations, as described in this letter, do not meet the requirements of the federal regulations at 43 CFR 3809.301. The requirements for completing your notice were addressed in a letter from this office, which was dated July 29, 2003, and sent as Certified Mail 7001 0320 0003 4257 4909. In a phone conversation on August 12, 2003, with Michael Jackson of my staff, you were requested to refer to that letter to fulfill the requirements for filing a complete notice under the federal regulations at 43 CFR 3809.

In addition, the map included with your telecopy is not easy to read and differs from what we understood was being proposed by you in the field on August 6, 2003. A copy of the field inspection report is enclosed for your review and includes an ArcView map, which was prepared from GPS data collected at that time. We understood that you would drill at four to five sites in the project area, which would be in the W $\frac{1}{2}$ NW $\frac{1}{4}$ section 22, T. 26 S., R. 4 W, SLM. At that time, a two-track access road was surveyed and an old working (side cut) was surveyed. We understood that two to three holes would be drilled on the access road north of the first switchback, and two other drill sites were proposed. One would be at the site of the old side-cut disturbance, and this site was surveyed by GPS. Another drill site would be above the switchback in a relative open area near another old working and shown as an X on the topographic map; however, this latter location was not visited and was not surveyed by GPS.

Based on your map, our understanding apparently was not consistent with your proposal as submitted to this office on August 11, 2003. You have proposed eight drill sites rather than four to five. In addition, the drill sites as shown on your map are not consistent with our understanding of the general location of your project area. That discrepancy may be due to the scale of the map that you have used. To assist you, we have prepared an ArcView map that shows the location of the proposed drill holes, based on the GPS survey and your map showing locations of drill sites.

If you examine the second ArcView map (Sandy Nell Prospect, Applicant's Proposed Drill Sites—

08/11/03), drill hole sites F and G may be the ones that in the field you had proposed as being on the access road, north of the switchback. Drill hole sites A-E may be the ones that we understood to be in a saddle, south of the working shown as an X on the map and north of the topographic high of 7150 feet elevation. Drill hole H is the location of that proposed site as surveyed by GPS, which differs somewhat from your map. Further, drill holes A-E are described as being approximately 100 feet apart, but based on the ArcView map, are 500 to 600 feet apart. In addition, at these sites, directional holes are only described in your letter at site H, whereas, we had understood that directional holes would be drilled at sites F and G, as well.

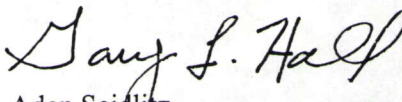
In order to complete your filing for a notice, please address the above, described discrepancies in the locations of the proposed drill holes, and address the items related to exploration drilling in our earlier letter. We have enclosed a third ArcView map for your convenience that does not show any drill hole sites.

We recommend that you flag the locations on the ground, and we could GPS those sites and provide you with a map. We will be willing to meet with you in the field or in this office to answer any questions or to assist you in completing your filing.

We also received a letter from you on August 1, 2003, by telecopy, and that receipt is acknowledged at this time. In that letter, you addressed that the subject mineral deposit is kaolin clay, that you consider the mineral to be a locatable mineral under the general mining laws, and that the clay may be marketed for a number of proposed uses. As discussed with you, the clay may be a common variety that is salable under the Materials Act of 1947, as amended, rather than locatable mineral. In order for you to obtain data that would be pertinent as to determining whether the subject deposit is a locatable or salable mineral, your notice needs to address your sampling program, which would include the sampling interval in the drill holes, the chemical analysis or assays, and any other tests that may be performed on the drill hole samples.


If you have any questions, please contact Michael Jackson at (435) 896-1522.

Sincerely,


for Aden Seidlitz
Field Manager

Enclosures: Inspection Report with ArcView Map
ArcView Map, Sandy Nell Prospect, Applicant's Proposed Drill Sites—08/11/03
ArcView Map Without Drill Hole Locations

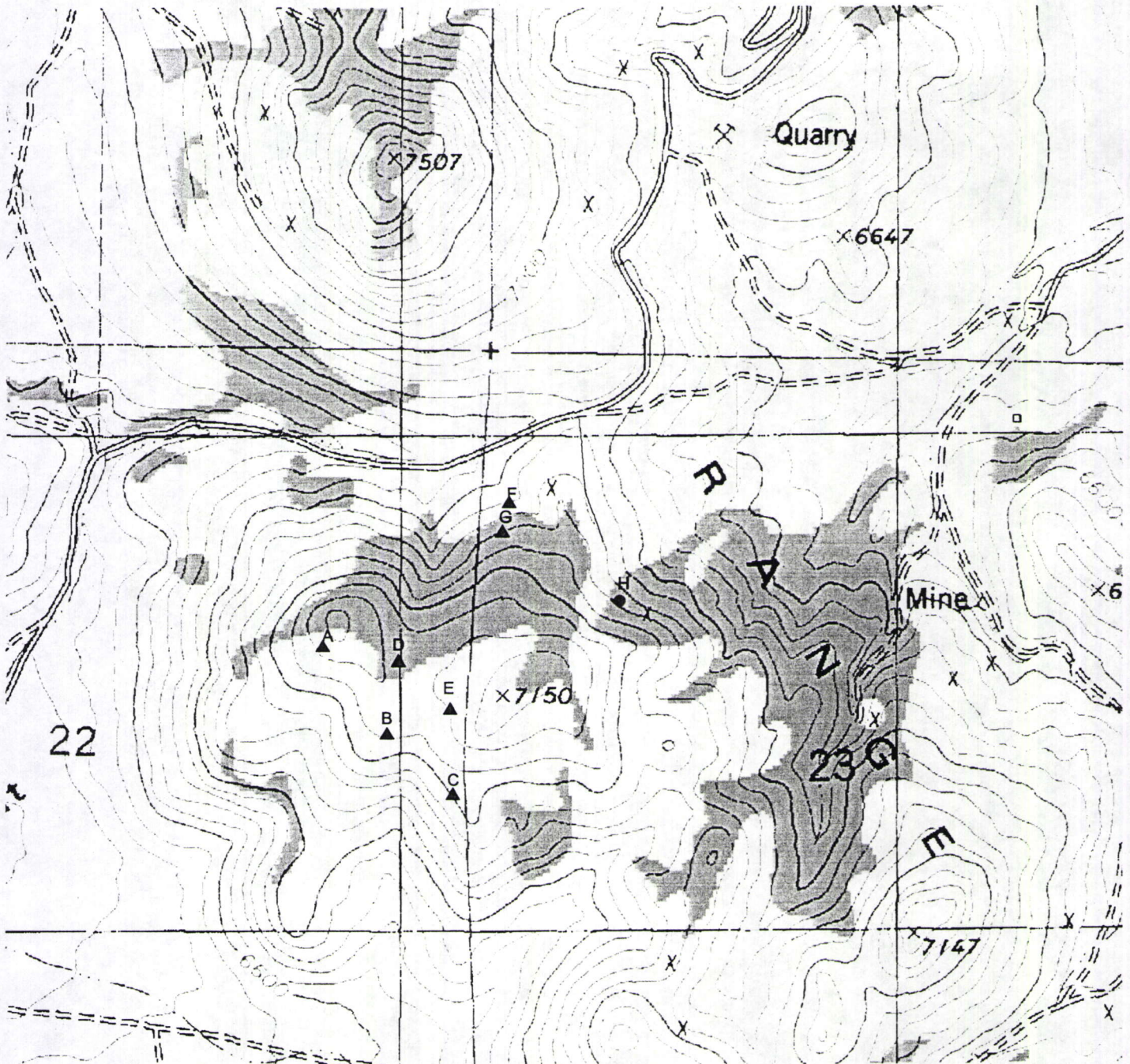
bc: M. Jackson (yellow copy)

MKJ:mkjackson:081303 

Sandy Nell Prospect, Applicant's Proposed Sites--08/11/03

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T. 26 S., R. 4 W., Sections 22 & 23



1:12000

● **Drill Hole Location Surveyed by GPS**

— **Access Road GPS; others not surveyed**

Not all proposed drill sites were surveyed by GPS.
Those locations not surveyed are shown by triangles
and based on applicant's map, 08/11/03.



GPS Survey 08/06/2003;
ArcView Map 08/12/2003
by M. Jackson